

A **SEE HAU GLOBAL SDN BHD v.
MAH SING PLASTICS INDUSTRIES SDN BHD**

COURT OF APPEAL, PUTRAJAYA

ALIZATUL KHAIR OSMAN JCA

NALLINI PATHMANATHAN JCA

B ZABARIAH MOHD YUSOF JCA

[CIVIL APPEAL NO: W-02(1PCV)(W)-1863-11-2014]

25 JULY 2017

C ***INTELLECTUAL PROPERTY: Patent – Invalidation of patent – Application for
– Both parties in business of manufacturing, selling and distributing pallets – Issue
of novelty and obviousness – Anticipated prior arts – Whether patent novel –
Absence of one of essential features or integers of patent – Whether there was
infringement of patent***

D Both the respondent ('plaintiff') and the appellant ('defendant') were in the
business of manufacturing, selling and distributing of pallets. The defendant
was the owner of Patent No. MY-148055-A ('MY-055') which was invented
by Cheah Chee Chon ('DW1'), in respect of an invention entitled
'Wing-Shaped Pallet for Handling & Storing Loads'. The MY-055 patent was
E granted under the Patents Act 1983 ('PA') on 28 February 2013 and was in
force until 27 July 2030. On 20 June 2013, the defendant published a
warning notice in the Chinese Daily Sin Chew Jit Poh asserting its rights as
the owner of the MY-055 patent. Therefore, the plaintiff filed a claim to
invalidate the MY-055 patent. There were five claims in the MY-055 patent.
F Claim 1 of the MY-055 patent was a product claim that was directed to a
wing-shaped pallet. Claims 2 to 5 were dependent on claim 1. The High
Court Judge ('HCJ') found, *inter alia*, that (i) the plaintiff's claims for
invalidation were to be limited to those contained in para. 5.1 of the
statement of claim which meant that the plaintiff's objections were limited
G to the 'wing feature' of the pallet and did not extend to the plurality of treads
and anti-slip stud features; and (ii) the plaintiff had failed to establish on a
balance of probabilities that MY-055 had been anticipated in a single
document. Therefore, the HCJ concluded that MY-055 was novel, not
obvious nor lacking in an inventive step. The plaintiff's claim to invalidate
MY-055 was therefore dismissed with costs. However, the trial judge
H allowed the plaintiff's prayer in para. 19(c) of its statement of claim that the
wing-shaped pallets manufactured by the plaintiff did not constitute an
infringement of the MY-055 patent. The defendant filed an appeal against the
grant of prayer 19(c) and the plaintiff cross-appealed against the decision in
respect of the dismissal of its claim for the invalidation. The substantive part
I of the present appeal, related to the cross-appeal, was namely the invalidation
of MY-055. The issues that arose for the court's consideration in the
cross-appeal were (i) whether the HCJ was correct in limiting the plaintiff's

claim to para. 5.1 of the statement of claim; (ii) whether the MY-055 patent was novel and was not anticipated by prior art as set out in s. 14 of the PA; and (iii) whether the MY-055 patent involved an inventive step in that it was not obvious to a person having ordinary skill in the art as provided for in s. 15 of the PA.

Held (dismissing defendant's appeal; allowing plaintiff's cross-appeal)
Per Alizatul Khair Osman JCA delivering the judgment of the court:

- (1) The plaintiff sought to invalidate each of the claims in MY-055 on the grounds that they were neither novel nor inventive. A further ground was that each and every claim lacked support, sufficiency and clarity. The plaintiff was challenging not only the 'wing feature' of MY-055 separately, but also the combination of the plurality of treads and anti-slip features of the pallet as expressly pleaded in the statement of claim. Therefore, the HCJ erred in limiting the plaintiff's grounds of objections to the feature/integer of the wing shape of the pallet registered under MY-055. (paras 23-25)
- (2) The HCJ erred in concluding that 'the plaintiff had failed to prove on a balance of probabilities that any one single prior art contains all the special features and their combination'. The evidence showed that each of the three prior art by itself, contained the features of the claims in MY-055. The evidence which may be gleaned from the product development manager of the plaintiff (PW3)'s testimony was not considered at all by the HCJ. Also, the HCJ erred in concluding that there was an attempt by the plaintiff to mosaic the prior art in order to establish novelty. As was clear from PW3's evidence, this was not the case. Each prior art was compared individually with the claims in MY-055. (paras 44 & 45)
- (3) Having considered the evidence as a whole, MY-055 lacked novelty as it had been anticipated by prior art. The protruding ribs were not novel as they could be found in prior art. Having concluded that the claims in MY-055 were not novel, this in itself was sufficient to allow the cross-appeal. (paras 47-49)
- (4) MY-055 patent was obvious and did not embody or incorporate an inventive step because (i) the notionally skilled but unimaginative addressee in the instant case would have knowledge of MS ISO 445; and (ii) the three essential features of MY-055 were contained in MS ISO 445. The use of such protruding ribs as described, was neither new nor inventive, as these functions of the ribs could be found in MS ISO 445. Alternatively, such protruding ribs could be designed from a perusal of the MS ISO 445 by the normally skilled but unimaginative addressee in the art at the relevant time. Hence, there was no new solution to a problem that had been discovered by the defendant to be entitled to protection under MY-055. (paras 81 & 84-86)

- A (5) In determining that MY-055 was not patentable, the evidence of SD2, the patent examiner, could not adequately justify the basis for registering the patent MY-055. For the foregoing reasons, MY- 055 was invalid as it was not novel, as it was anticipated by prior art, and did not involve any inventive steps. (paras 93 & 94)
- B (6) Since MY-055 was invalid, the issue of the infringing of MY-055 was academic, redundant and no longer arose. The net result was that the plaintiff was entitled to manufacture and supply wing-shaped pallets with or without protruding ribs in the course of its business. No question of limiting it to any one model arose in any event. (para 98)

C *Bahasa Malaysia Headnotes*

- Kedua-dua responden ('plaintif') dan perayu ('defendan') menjalankan perniagaan membuat, menjual dan mengedar palet. Defendan ialah pemilik Paten No. MY-148055-A ('MY-055') yang direka cipta oleh Cheah Chee Chon ('DW1'), berhubung dengan reka cipta bertajuk 'Wing-Shaped Pallet For Handling & Storing Loads'. Paten MY-055 diberikan di bawah Akta Paten 1983 ('AP') pada 28 Februari 2013 dan berkuat kuasa sehingga 27 Julai 2030. Pada 20 Jun 2013, defendan menerbitkan notis amaran dalam Chinese Daily Sin Chew Jit Poh menegaskan haknya sebagai pemilik paten MY-055. Oleh itu, plaintif memfailkan tuntutan untuk membatalkan paten MY-055. Terdapat lima tuntutan dalam paten MY-055. Tuntutan 1 paten MY-055 adalah tuntutan produk yang ditujukan kepada pallet berbentuk sayap. Tuntutan 2 hingga 5 bergantung kepada tuntutan 1. Hakim Mahkamah Tinggi ('HMT') mendapati, antara lain, bahawa (i) tuntutan plaintif untuk pembatalan adalah terhad kepada apa yang terkandung dalam para. 5.1 pernyataan tuntutan yang bermaksud bahawa bantahan plaintif adalah terhad kepada 'ciri sayap' palet dan tidak dilanjutkan kepada 'plurality of treads' dan ciri-ciri 'anti-slip stud'; dan (ii) plaintif gagal untuk membuktikan atas imbalan kebarangkalian bahawa MY-055 dijangkakan dalam satu dokumen. Oleh itu, HMT menyimpulkan bahawa MY-055 adalah baharu, jelas tidak atau kurang dalam langkah inventif. Oleh itu, tuntutan plaintif untuk membatalkan paten MY-055 ditolak dengan kos. Walau bagaimanapun, hakim bicara membenarkan permohonan plaintif dalam perenggan. 19(c) pernyataan tuntutannya bahawa palet berbentuk sayap yang dikeluarkan oleh plaintif tidak membentuk pelanggaran paten MY-055.
- H Defendan memfailkan rayuan terhadap keputusan permohonan dalam perenggan 19(c) dan plaintif membuat rayuan silang terhadap keputusan mengetepikan tuntutan pembatalan paten MY-055. Bahagian substantif rayuan ini berkaitan dengan rayuan balas, iaitu pembatalan MY-055. Isu-isu yang dibangkitkan untuk pertimbangan mahkamah dalam rayuan silang adalah (i) sama ada HMT betul dalam menghadkan tuntutan plaintif kepada perenggan 5.1 penyata tuntutan; (ii) sama ada paten MY-055 adalah baharu dan tidak dijangka oleh seni terdahulu seperti yang dinyatakan dalam s. 14

AP; dan (ii) sama ada paten MY-055 melibatkan langkah inventif kerana ia tidak jelas kepada orang yang mempunyai kemahiran biasa dalam seni seperti yang diperuntukkan oleh s. 15 AP.

Diputuskan (menolak rayuan defendan; membenarkan rayuan silang plaintiff)

Oleh Alizatul Khair Osman HMR menyampaikan penghakiman mahkamah:

- (1) Plaintiff berusaha untuk membatalkan setiap tuntutan di MY-055 atas alasan bahawa ia bukanlah reka cipta baharu atau inventif. Satu lagi alasan adalah bahawa setiap tuntutan tidak mempunyai sokongan, kecukupan dan kejelasan. Plaintiff mencabar bukan sahaja 'ciri sayap' paten MY-055 secara berasingan, tetapi juga gabungan 'plurality of treads' dan ciri-ciri 'anti-slip' palet seperti yang dinyatakan dengan jelas dalam pernyataan tuntutan. Oleh itu, HMT salah dalam meneghaskan alasan bantahan plaintiff terhadap ciri/integer bentuk sayap palet yang didaftarkan di bawah MY-055.
- (2) Hakim Mahkamah Tinggi salah dalam menyimpulkan bahawa 'plaintiff gagal membuktikan atas imbalan kebarangkalian bahawa mana-mana satu seni terdahulu mengandungi semua ciri khas dan kombinasi mereka'. Keterangan menunjukkan bahawa setiap tiga seni terdahulu dengan sendirinya, mengandungi ciri-ciri tuntutan dalam MY-055. Keterangan yang boleh dikutip daripada keterangan pengurus pembangunan produk ('PW3') tidak dipertimbangkan oleh HMT. Juga, HMT terkhilaf dalam menyimpulkan bahawa terdapat percubaan oleh plaintiff untuk 'mosaic' seni terdahulu untuk mewujudkan kebaruan. Seperti yang jelas daripada keterangan PW3 ini bukanlah sedemikian. Setiap seni terdahulu telah dibanding secara individu dengan tuntutan di MY-055.
- (3) Setelah mempertimbangkan keterangan secara keseluruhan, MY-055 tidak mempunyai kebaruan kerana ia telah dijangka oleh seni terdahulu. 'Protruding ribs' bukanlah baharu kerana ia boleh didapati dalam seni terdahulu. Setelah membuat kesimpulan bahawa tuntutan dalam MY-055 bukanlah baharu, ini dengan sendirinya mencukupi untuk membenarkan rayuan silang.
- (4) Paten MY-055 adalah jelas dan tidak merangkumi atau menggabungkan langkah inventif kerana (i) seseorang yang mempunyai kemahiran menurut tanggapan tanpa imaginasi dalam kes ini akan mempunyai pengetahuan mengenai MS ISO 445; dan (ii) tiga ciri penting MY-055 terkandung dalam MS ISO 445. Penggunaan 'protruding ribs' seperti yang diterangkan, bukanlah baru atau inventif, kerana fungsi 'protruding ribs' ini boleh didapati dalam MS ISO 445. Secara alternatif,

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- A 'protruding ribs' ini boleh direka bentuk dengan menyemak MS ISO 445 oleh penerima yang mempunyai kemahiran biasa tetapi tidak mempunyai imaginasi dalam bidang seni pada masa yang relevan. Oleh itu, tiada penyelesaian baharu untuk masalah yang ditemui oleh defendan untuk diberi perlindungan di bawah MY-055.
- B (5) Dalam menentukan bahawa MY-055 tidak boleh dipatenkan, keterangan SD2, pemeriksa paten, tidak dapat menjustifikasikan dengan secukupnya alasan untuk mendaftarkan paten MY-055. Atas alasan-alasan berikut, MY-055 adalah tidak sah kerana ia bukanlah baharu, kerana ia dijangka oleh seni terdahulu, dan tidak melibatkan sebarang langkah daya cipta.
- C (6) Oleh kerana MY-055 tidak sah, masalah pelanggaran MY-055 adalah akademik, tidak diperlukan dan tidak lagi timbul. Akibatnya adalah bahawa plaintif berhak untuk mengeluarkan dan membekalkan palet berbentuk sayap dengan atau tanpa 'protruding ribs' dalam perjalanan perniagaannya. Tidak ada persoalan untuk membataskannya kepada mana-mana satu model yang timbul dalam apa jua keadaan.
- D

Case(s) referred to:

Biogen Inc v. Medeva Plc [1997] RPC 1 (*refd*)

British Celanese Ltd v. Courtaulds Ltd (1935) 52 RPC 171 (*refd*)

- E *British Thomson-Houston Co Ltd v. Stonebridge Electrical Co Ltd* [1916] RPC 166 (*refd*)
General Tire & Rubber Co v. Firestone Tyre & Rubber Co Ltd [1972] RPC 457 (*refd*)
Raychem Corp's Patents [1998] RPC 31 (*refd*)

Sanofi-Aventis (Malaysia) Sdn Bhd & Anor v. Fresenius Kabi (Malaysia) Sdn Bhd & Anor [2012] 4 CLJ 532 HC (*refd*)

- F *Seng Kong Shutter Industries Sdn Bhd & Anor v. SKB Shutters Manufacturing Sdn Bhd* [2014] 4 CLJ 1037 CA (*refd*)

Synthon By v. Smithkline Beecham Plc [2006] RPC 10 (*refd*)

Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd [1985] RPC 59 (*refd*)

Wood v. Gowshall Ltd (1937) 54 RPC 37 (*refd*)

Legislation referred to:

- G Patents Act 1983, ss. 14, 15, 56(2)(a)

Other source(s) referred to:

Law of Patents, 15th edn, Sweet & Maxwell, para 7.26, p 174

Teh Pek San, *Intellectual Property Law in Malaysia*, Sweet & Maxwell, p 553

Terrell on the Law of Patents, 17th edn, pp 207, 211

- H For the appellant - Pang Yeow Choy & Daniel Bock; M/s YC Pang, Chong & Gordon
For the respondent - Timothy Siaw & Raghuram S; M/s Shearn Delamore & Co

[Editor's note: For the High Court judgment, please see *Mah Sing Plastics Industries Sdn Bhd v. See Hau Global Sdn Bhd* [2015] 1 LNS 1187 (*affirmed*).]

- I Reported by Sandra Gabriel

JUDGMENT**Alizatul Khair Osman JCA:****Introduction**

[1] This is an appeal against the decision of the High Court in respect of a claim seeking to invalidate a patent, namely Malaysian Patent No. MY-148055-A ('MY-055') registered by the defendant, who is the appellant here. After a full trial, the High Court made the following orders;

- (a) The plaintiff's claim for the invalidation of MY-055 is dismissed. The plaintiff is the respondent in this appeal;
- (b) The learned trial judge allowed the plaintiff's prayer in para. 19(c) of the statement of claim as amended, which reads as follows:

A declaration that the manufacture, importation, distribution, stocking, supply, sale and/or offering to supply or sell the Plaintiff's wing-shaped pallets, limited only to model N4-131-1SLW manufactured by the Plaintiff or its licensees or distributors does not constitute an infringement of any and all of the claims of Malaysian Patent No. MY-148055-A;

[2] Both the plaintiff and the defendant appealed against this decision. The defendant filed an appeal against the grant of prayer 19(c) as amended, in respect of the amendment, as well as the grant of the said prayer.

[3] The plaintiff cross-appealed against the decision in respect of the dismissal of its claim for the invalidation of MY-55.

[4] The parties will be referred to as follows:

- (a) The appellant will be referred to as the defendant;
- (b) The respondent will be referred to as the plaintiff.

The Background Facts

[5] The salient facts are set out comprehensively in the judgment of the learned trial judge and we adopt the same here.

[6] Both the plaintiff and the defendant are in the business of manufacturing, selling and distributing of pallets.

[7] The defendant is the owner of the MY-055 patent which was invented by Cheah Chee Chon (DW1), in respect of an invention entitled "Wing-Shaped Pallet for Handling & Storing Loads". The MY-055 patent was granted under the Patents Act 1983 on 28 February 2013 and is in force until 27 July 2030.

[8] A brief description of the MY-055 patent is set out as follows:

The present invention generally relates to a pallet utilised for handling and storing loads. More particularly, a wing-shaped pallet constructed for handling and storing loads including bag-packaged materials in cargo transportation, shipment and logistic services industries

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(54) Title : Wing-Shaped Pallet for Handling and Storing Loads

(57) Abstract :

A pallet (20) for handling and storing loads comprises a base (30) characterized by a plurality of vertical structure members (32) connected orthogonally with a horizontal support member (33); a plurality of treads (34) are coupled to the base (30) for producing coefficient friction between the base (30) and a conveying means; a planar platform (50) for receiving loads, having greater dimension than the base; a plurality of studs (31) is extending perpendicularly from every intersect point formed by the vertical structure members (32) and horizontal support members (33) of the base (30). The studs (31) are permanently coupled to the planar platform (50) forming a wing-shaped pallet (20) which have a high strength to weight ratio.

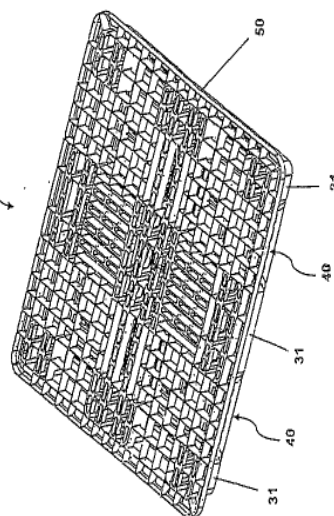


FIGURE 1

CROSS SECTION OF
Patent No. MY-148055

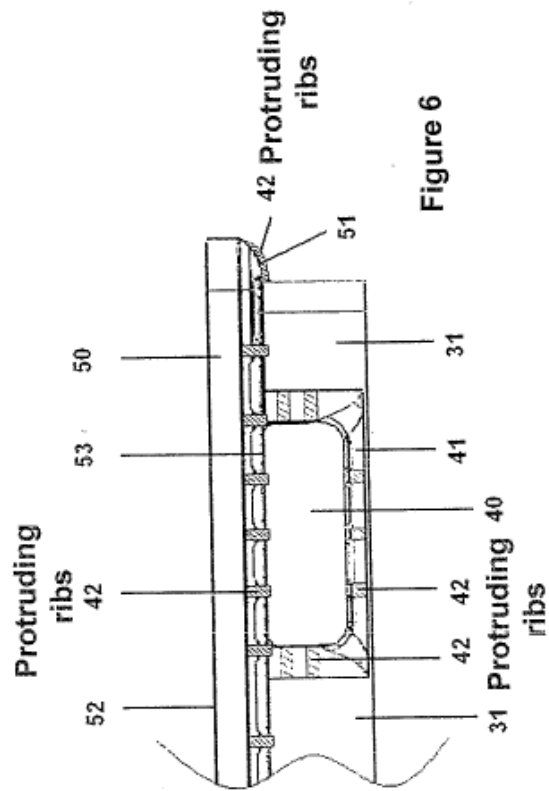


Figure 6

intraco palletTM
An order of Power & PerformanceTM

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- A [9] There are five claims in the MY-055 patent. Claim 1 of the MY-055 patent is a product claim that is directed to a wing-shaped pallet. Claims 2-5 are dependent on claim 1. The claims read as follows:

Claim 1

- B A wing-shaped pallet (20) for handling and storing loads, comprising of:
A base (30) characterised by a plurality of vertical structure members connected orthogonally with at least one horizontal support member (33), a plurality of treads on the bottom surface of the horizontal support member (33) for producing friction between said base (30) and a conveying means;
- C A planar platform (50) including bottom a surface (53) and a top surface (52) for receiving loads, having greater dimension than the base (30) thereby forming an overhanging area;
- D A plurality of studs (31) extending perpendicular from base (30) each positioned at every intersection of the vertical structure member (32) and the horizontal support member (33), wherein said studs (31) are coupled to the bottom surface (53) of the planar platform (50);
- E A plurality of anti-slip means (60) mounted on the base, the top surface (52) and the bottom surface (53) of planar platform (50); Wherein said anti-slip means mounted on the bottom surface of the planar platform (50) provide means for preventing slippage of fork tines;
- Wherein the areas in between of the studs (31) form hollow channels (40) with chamfers for receiving fork tines;
- F Wherein the chamfers (41) and the overhanging area (51) may further include protruding ribs (42) to reinforce said planar platform (50) and to guide the entry of the fork tines across the chamfers (41).

Claim 2

- G A wing-shaped pallet (20) for handling and storing loads according to claim 1 wherein the planar platform (50) for receiving load may include a plurality of cavities.

Claim 3

- H A wing-shaped pallet (20) for handling and storing loads according to claim 1 wherein the wing-shaped pallet (20) can be made from any material, preferably thermoplastic resin materials.

Claim 4

- I A wing-shaped pallet (20) for handling and storing according to claim 1 wherein the wing-shaped pallet has high strength to weight ratio.

Claim 5

- I A wing-shaped pallet (20) for handling and storing loads according to claim 1 wherein the plurality of ribs (42) that protrudes from said chamfers (41) may have variable configurations

[10] The following pages provide in diagrammatic form the component features of the pallets:

MS ISO 445:2010

**3.7
two-way pallet
two-way entry pallet**

flat pallet permitting the entry of the fork arms of forklift trucks and pallet trucks from two opposite directions only

See Figure 8.

**3.7
palette à deux entrées**

palette plate ne permettant le passage des bras de fourche des transpalettes et chariots élévateurs que sur deux côtés opposés

Voir Figure 8.

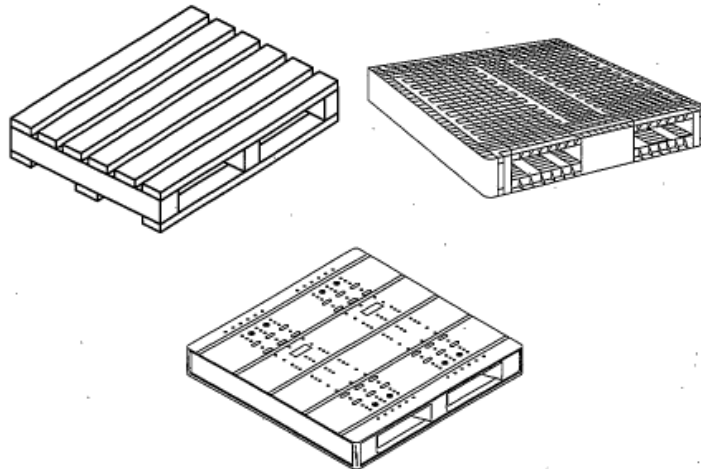


Figure 8 — Two-way pallets
Figure 8 — Palettes à deux entrées

A

MS ISO 445:2010

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6.5 Chamfers

6.5 Chanfreins

6.5.1 chamfer

bevel on the top edges of the bottom deck, bottom boards or bottom edges of the top deck to facilitate the passage of fork-arm wheels of a pallet truck

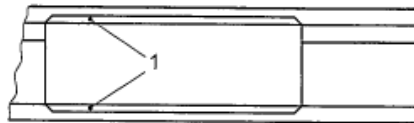
See Figure 49.

6.5.1 chanfrein

coupe en biseau sur les arêtes supérieures du plancher inférieur ou des éléments de plancher inférieurs ou les arêtes inférieures du plancher supérieur, pour faciliter le passage des galets des bras des fourches d'une transpalette

Voir Figure 49.

C



Key
1 chamfer

Légende
1 chanfrein

Figure 49 — Chamfer
Figure 49 — Chanfrein

D

6.5.2 continuous chamfer

chamfer along the complete length of the board

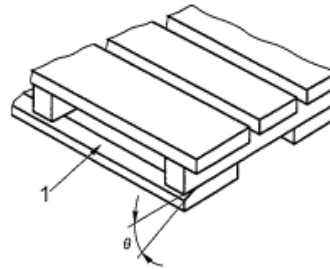
See Figure 50.

6.5.2 chanfrein continu

chanfrein sur toute la longueur de l'élément

Voir Figure 50.

E



Key
1 chamfer

Légende
1 chanfrein

Figure 50 — Continuous chamfer
Figure 50 — Chanfrein continu

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MS ISO 445:2010



Figure 65 — Conical foot
Figure 65 — Pied conique

6.9 Other components

6.9.1 rib

reinforcing structure used to keep strength or rigidity without increasing thickness of each section and to prevent warping of wide flat areas of pallets

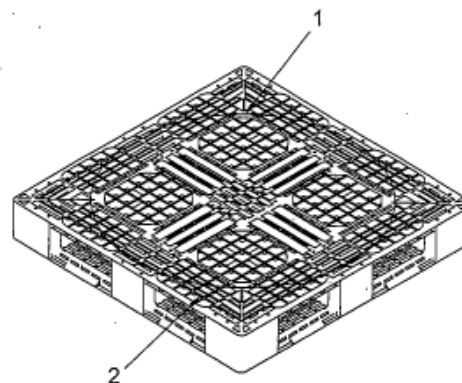
See Figure 66.

6.9 Autres composants

6.9.1 renfort

structure renforçant la résistance ou la rigidité sans augmenter l'épaisseur de chaque section et servant à empêcher le gauchissement de larges zones plates de palette

Voir Figure 66.



Key

- 1 grill structure
2 rib

Légende

- 1 structure grillagée
2 renfort

Figure 66 — Other components: grill structure and rib
Figure 66 — Autres composants: structure grillagée et renfort

A [11] The plaintiff began manufacturing and selling wing-shaped pallets towards the end of 2012. The other manufacturer of plastic pallets is the defendant, See Hau Global Sdn Bhd.

B [12] On 20 June 2013, the defendant had published a warning notice in the Chinese Daily Sin Chew Jit Poh asserting its rights as the owner of the MY-055 patent. With the said MY-055 patent, the defendant claimed an exclusive right to manufacture, distribute and to sell wing-shaped pallets in Malaysia.

C [13] The plaintiff contends that it is aggrieved by this as it prohibits the plaintiff from manufacturing, distributing and selling its wing-shaped pallets in Malaysia, which it has been doing since 2012.

D [14] The plaintiff instituted this suit as a pre-emptive measure against any legal actions on infringement in respect of the MY-055 patent and thereby challenging the validity of the MY-055 patent with an additional prayer that the plaintiff's wing-shaped pallet does not infringe the MY-055 patent.

The Appeal And The Cross-Appeal

E [15] The substantive part of this appeal relates to the cross-appeal, namely the invalidation of MY-055. We, therefore, propose to deal with the cross-appeal first.

The Cross-Appeal

[16] The cross-appeal relates to the invalidation of MY-055 under s. 56(2)(a) of the Patents Act 1983 (Act 291) (PA) which provides as follows:

F Section 56. Invalidation of patent.

(2) The Court shall invalidate the patent if the person requesting the invalidation proves

G (a) that what is claimed as an invention in the patent is not an invention within the meaning of section 12 or is excluded from protection under section 13 or subsection 31(1) or is not patentable because it does not comply with the requirements of sections 11, 14, 15 and 16; ...

[17] The plaintiff's case may be summarised as follows, namely that MY-055:

H (a) is not novel as it is anticipated by prior art;
(b) does not involve any inventive steps, as the invention is obvious to a person having ordinary skill in the art and by having regard to the common general knowledge in the related field;

I (c) does not involve any inventive idea; and
(d) lacks sufficiency and clarity in its description to support the claim.

[18] The defendant maintains that MY-055 is valid by reason that the features claimed in all of the claims in the patent are novel and inventive. More particularly, it is pleaded that MY-055 is valid because:

- (a) MY-055 provides technical contributions and/or advantageous effects over prior art documents collectively;
- (b) These technical contributions and/or advantageous effects are set out in the specifications, the features of which include:
 - High strength and lightweight for handling and storing loads
 - (i) High stability
 - (ii) Light weight and high stiffness/rigidity
 - (iii) Prevention of pallet deformation with a plurality of protruding ribs
 - (iv) Prevention of pallet deformation with a wing structure or overhanging areas
- (c) It is contended that the specification does disclose the invention in a manner, which is sufficiently clear and complete for the invention to be evaluated and carried out by a person having ordinary skill in the art.

The Judge's Findings

[19] In relation to the cross-appeal, the learned judge made the following findings:

- (i) The plaintiff's claims for invalidation were to be limited to those contained in para. 5.1 of the statement of claim. This meant that the plaintiff's objections were limited to the 'wing feature' of the pallet and did not extend to the plurality of treads and anti-slip stud features;
- (ii) The plaintiff had failed to establish on a balance of probabilities that MY-055 had been anticipated in a single document. This was necessary to establish novelty;
- (iii) On the issue of an inventive step, the learned judge rejected the evidence of PW3 and PW4 on the grounds that as the 'contributors and inventors of pallets', they did not fall within the requirement of the "unimaginative skilled person without a scintilla of inventiveness" in the field of pallet design and manufacture;
- (iv) Therefore, the learned judge concluded that MY-055 is novel, not obvious nor lacking in an inventive step. The plaintiff's claim to invalidate MY-055 was therefore dismissed with costs.

A **Issues**

[20] The issues that arise for consideration in this cross-appeal are as follows:

- B (a) Was the learned judge correct in limiting the plaintiff's claim to para. 5.1 of the statement of claim?
- (b) Was the learned judge correct in concluding that:
- C (i) MY-055 is novel and is not anticipated by prior art as set out in s. 14 of the Patents Act 1983 ('PA')?
- (ii) MY-055 involves an inventive step in that it is not obvious to a person having ordinary skill in the art as provided for in s. 15 of the PA and having regard to the common general knowledge?

Issue 1: Was The Learned Judge Correct In Limiting The Plaintiff's Claim To Para. 5.1 Of The Statement Of Claim?

- D [21] A perusal of the plaintiff's statement of claim discloses that its claim for invalidation is not limited to the wing-shaped integer of MY-055. This is evident from:

- (a) paragraphs 9, 10, 11, 12, 13 and 14 of the statement of claim; and
- E (b) paragraphs 5.1, 9, 10, 13 and 17 of the particulars of objections and/or grounds of invalidity of Malaysian Patent No. MY-148055-A

- [22] These paragraphs deal with, *inter alia*, novelty, inventiveness and sufficiency of the claims relating to MY-055. The fact that the claim of invalidity extends to each of the five claims of MY-055 is clear from
- F paras. 1-5 of the particulars of objections. Paragraph 5 provides:

The alleged invention claimed in each claim of MY-055 Patent, in particular, claims 1 to 5, is not new or novel within the meaning of sections 11 and 14(1) of the Patents Act 1983.

- G [23] It is therefore clear that the plaintiff sought to invalidate each of the claims in MY-055 on the grounds that they were neither novel nor inventive. A further ground was that each and every claim lacked support, sufficiency and clarity.

- H [24] Therefore, we concur with learned counsel for the plaintiff that the plaintiff was challenging not only the "wing feature" of MY-055 separately, but also the combination of the plurality of treads and anti-slip features of the pallet as expressly pleaded in the statement of claim.

- I [25] We are therefore of the view that the learned judge erred in limiting the plaintiff's grounds of objections to the feature/integer of the wing shape of the pallet registered under MY-055. It appears that the learned judge did not peruse or give any or adequate consideration to the statement of claim.

In her judgment, the learned judge referred to para. 5.1 of the statement of claim when she was in fact referring to para. 5.1 of the particulars of objection/grounds of invalidity. A

Issue (ii): Was The Learned Judge Correct In Concluding That

- (a) MY-055 is novel and is not anticipated by prior art as set out in s. 14 of the Patents Act 1983 ('PA')? B
- (b) MY-055 involves an inventive step in that it is not obvious to a person having ordinary skill in the art as provided for in s. 15 of the PA and having regard to the common general knowledge? C

Novelty

[26] The learned judge concluded on this issue that the plaintiff had failed to prove on a balance of probabilities that any one single prior art contains all the special features and their combination as claimed by the defendant in MY-055. She further concluded the plaintiff had sought to mosaic numerous prior art in order to show that MY-055 is not novel. As combining or seeking to mosaic is against established principles in relation to novelty, she concluded that MY-055 was indeed novel when it was registered on 27 July 2010. D

The Position In Law On Novelty

[27] The position in law on novelty is set out in s. 14 of the PA which stipulates as follows: E

Section 14. Novelty.

- (1) An invention is new if it is not anticipated by prior art. F
- (2) Prior art shall consist of
 - (a) everything disclosed to the public, anywhere in the world, by written publication, by oral disclosure, by use or in any other way, prior to the priority date of the patent application claiming the invention; G
 - (b) the contents of a domestic patent application having an earlier priority date than the patent application referred to in paragraph (a) to the extent that such contents are included in the patent granted on the basis of the said domestic patent application.
- (3) A disclosure made under paragraph (2)(a) shall be disregarded H
 - (1) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title;
 - (2) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor in title; I

- A (3) if such disclosure is by way of a pending application to register the patent in the United Kingdom Patent Office as at the date of coming into force of this Act.
- (4) Subsection (2) shall not exclude the patentability of any substance or composition, comprised in the prior art, for use in a method referred to in paragraph 13(1)(d), if its use in any such, method is not comprised in the prior art.
- B

[28] In short, s. 14 provides that an invention is neither novel nor anticipated if:

- C (a) the invention is disclosed wholly in a prior published enabling document; or
- (b) if by following the teachings of and putting the invention disclosed in the prior published document into practice, it would infringe the patent under attack.

- D **[29]** This is borne out, *inter alia*, by Sachs LJ in *General Tire & Rubber Co v. Firestone Tyre & Rubber Co Ltd* [1972] RPC 457 at 485 ('General Tire'):

E To determine whether a patentee's claim (In the Malaysian context, 'invention') has been anticipated by an earlier publication with the patentee's claim. The earlier publication must, for this purpose, be interpreted as at the date of its publication, having regard to the surrounding circumstances which then existed, and without regard to subsequent events. If the earlier publication, so construed, discloses the same device which the patentee by his claim, so construed, asserts that he has invented, the patentee's claim has been anticipated, but not otherwise.

F The earlier publication and the patentee's claim must be construed as they would be at the respective relevant dates (i.e date of publication) by a reader skilled in the art to which they relate having regard to the state of knowledge [the usage of "state of knowledge" clearly indicates the need for common general knowledge to be conscious at the back of the person skilled in the art's mind when construing documents/in such at the relevant date ... if the art is one having a highly developed technology, the notional skilled reader to whom the document is addressed may not be single person but a team, whose combined skill would normally be employed in that art in interpreting and carrying into effect instructions such as those which are contained in the document to be construed.

G

H We have already described the composite entity deemed to constitute the notional skilled addressee.

I If the prior inventor's publication contains a clear description of, or clear instruction to do or make, something that would infringe the patentee's claim, if carried out after the grant of the patentee's claim, the patent's claim will have been shown to lack the necessary novelty, that is to say, it will have been anticipated; but if carrying out the directions contained in the prior inventor's publication will inevitably result in something being

made or done which, if the patentee's patent were valid, would constitute an infringement of the patentee's claim, the circumstance demonstrate that the patentee's claim has in fact been anticipated.

A

... To anticipate the patentee's claim, the prior publication must contain clear and unmistakable directions to do what the patentee claims to have invented: ... A signpost however clear, upon the road to the patentee's invention will not suffice. The prior inventor must be clearly shown to have planted his flag at the precise destination before the patentee.

B

[30] To constitute anticipation, that prior document must also be an enabling document in the sense that it must not only identify exactly the invention, it must do so in a way that will enable persons who are skilled in the art to recognise, perceive and work the invention as claimed.

C

[31] In other words, both must be cumulatively met to make out a case of anticipation.

[32] The House of Lords in *Synthon By v. Smithkline Beecham Plc* [2006] RPC 10 at [26] explained:

D

"Enablement" means that the ordinary skilled person would have been able to perform the invention which satisfies the requirement of disclosure.

At paragraph 24, Lord Hoffman explained:

E

Although it is sometimes said that there are two types of anticipatory disclosure: a disclosure of the patented invention itself and a disclosure of an invention which, if performed, would necessarily infringe the patented invention, they are both aspects of a single principle, namely that anticipation requires prior disclosure of subject matter which, when performed, must necessarily infringe the patented invention.

F

[33] In the Malaysian case of *Seng Kong Shutter Industries Sdn Bhd & Anor v. SKB Shutters Manufacturing Sdn Bhd* [2014] 4 CLJ 1037, this court adopted the test laid out in *General Tire (supra)* at [18] & [19]:

G

Aziah Ali JCA stated as follows:

[18] Novelty is not something which can be proved or established, only its absence can be proved or established. The determination of novelty of an invention strictly consists of consideration of two aspects - the invention claimed for protection and the prior art information available in the concerned field. The knowledge of an invention in order to be considered as relevant prior art should satisfy any one or more of the following:

H

- (a) by the description of the invention in a published writing or document or in any tangible form;
- (b) by description of the invention in spoken words uttered in public, such a disclosure is known as oral disclosure;

I

- A (c) by the use of the invention in public or by putting the public in a position where any member of the public may access to it.

The test for establishing the lack of novelty is that each and every ingredient element of the claimed invention must be present in a single prior art. (see *Subbaram On Patent Law, Practices & Procedures* 2nd edn.).

- B [19] Proof that an invention is not new and lacks novelty because it has been anticipated by prior art constitutes a ground for the invalidation of such invention (s. 56(2) of the Act). The onus of proof lies, as regards each allegation, on the party launching the attack (*General Tire & Rubber Co, supra*).

C **The Instant Case**

[34] In the instant case, it is not disputed by the defendant that the following document and pallets comprise part of the prior art:

- (a) MS ISO 445
- D (b) The defendant's pallet marked as exh. P-5;
- (c) The plaintiff's pallet marked as exh. P-11

- E [35] Each of the items above individually constitutes prior art. Therefore, in line with the authorities, a comparison is to be made between the claims in MY-055 and each of the items above, individually, to determine whether each of the prior art anticipates the claims in MY-055 (see *SKB Shutters (supra)*). As stated earlier, to constitute anticipation, each of the items above should also enable the ordinary skilled person to perform the invention, namely MY-055. (see *Synthon (supra)*).

- F [36] In the present case, it is clear from the evidential records that PW3 and PW4 testified extensively that MY-055 lacks novelty. PW3, Wong Duen Yuan, is the product development manager of the plaintiff. His role includes the planning, design, development and implementation of plastic products and designs for various products including plastic pallets, plastic containers, and plastic furniture. He also oversaw the intellectual property aspects of pallet design by securing industrial design protection over designs created by the plaintiff. At the time of trial, he had 17 years' experience in the design and manufacturing of plastic pallets. He also has the requisite qualifications. He is a member of the "working group on pallets" at SIRIM since 2003.
- G
- H

[37] PW3 testified in the course of his evidence that each of the features of MY-055 is to be found in ISO 445, which is adopted by the Malaysian Standards. This is borne out by his testimony in examination in chief as seen below:

- I PC Can you confirm all these features are standard features under the Malaysian Standard IS0445

- PW3 All these features are standard features for all pallets. All these are common for all plastic pallets used in the market. A
- PC Can you confirm for us that these documents referred to wing shape?
- PW3 This document refers to the wing shape. B
- PC Does it refer to anti-slip?
- PW3 Yes.
- PC Does it refer to the chamfers?
- PW3 The chamfers. The block. And the anti-slip. All these are standard components described in this standard. C
- PC Just to confirm, the Malaysian Standard refer to wing-shape, anti-slip, ribs, chamfers?
- PW3 Correct.
- [38] Although this evidence was challenged in cross-examination, the witness maintained his stance. It is evident from the foregoing that PW3 undertook a comparison of all the claims in MY-055 with ISO 445. There was no attempt to combine or mosaic the prior art, which was only ISO-445 (adopted by the Malaysian Standards). D
- [39] Similarly, a comparison was then undertaken between all the claims in MY-055 and MY09-013155-0101 (Industrial Design Registration registered on 13 December 2010) and marked P-11. Again, PW3 confirmed that similar features could be found between the claims in MY-055 and P-11, without reference to any other prior art. Again, there was no attempt to combine or mosaic the design of P-11 and any other prior art. E
- [40] This can be seen below from the examination-in-chief of PW3. F
- J Marked as P11.
- PC Now I show you this document, can you please tell us what this document is? G
- PW3 This is certificate for industrial design registration with number MY09-013155-0101. So this design registration is filed on 14th December 2009, and approved on 13th December 2010.
- PC Can you confirm that this industrial design registration corresponds with this particular pallet? H
- PW3 Yes.
- PC Can you tell us that production date of this particular pallet?
- PW3 Jan 2010. I

- A PC Can you point out where can find this anti-slip?
 PW3 The anti-slips are located on the top surface of the planar platform, the bottom surface of the planar platform, and in the bottom of the channels.
- B PC Can you tell us where are the treads of this pallet?
 PW3 The treads are located at the top edge of the bottom surface and the bottom edge of the top surface.
 PC Can you show us the chamfers?
 PW3 Located at the bottom.
- C [41] During the course of cross-examination as seen below, PW3 was asked whether protruding ribs at the chamfers could be found in any of the other prior art produced before the court. PW3 maintained that prior pallets produced by the defendant had protruding ribs.
- D DC This is what I said. My client has provided very specific features that contained in his patent, at the chamfers, at the overhanging part there are protruding ribs. Where can you find this special features in my client's patent in any of the prior arts that you produced before the court, save for our client's own products?
- E PW3 Just now you mentioned about the prior Intraco pallets have protruding ribs.
 J Just put in your submission.
- F [42] In re-examination as shown below, reference was made to one of the defendant's pallets manufactured in 2009, marked P-5. PW3 confirmed that protruding ribs were not a novel feature and comprised part of prior art.
- Re-examination**
- PC Refer to ID5. Can you tell us what this pallet is?
 PW3 This is Intraco See Hau pallet manufactured in 2009.
- G PC How do you (know) that it is manufactured in 2009?
 PW3 Because there was a trademark Intraco embossed on the pallet.
 PC And the date of manufacture?
 PW3 Jan 2009.
- H PC Are these protruding ribs new?
 PW3 No this is not new.
 PC Form part of prior arts?
- I PW3 Yes.

[43] Again, the comparison was between the claims in MY-055 and separate prior art. There was no combination nor attempt to mosaic the prior art in PW3's evidence.

A

[44] Given the foregoing, we are of the view that the learned judge erred in concluding that "the plaintiff had failed to prove on a balance of probabilities that any one single prior art contains all the special features and their combination". The evidence shows that each of the three prior art by itself, contained the features of the claims in MY-055. This evidence which may be gleaned from PW3's testimony was not considered at all by the learned judge. In this context too, the learned judge erred in failing to give any consideration to the evidence on the record.

B

C

[45] Thirdly, the learned trial judge also erred in concluding that there was an attempt by the plaintiff to mosaic the prior art in order to establish novelty. As is clear from PW3's evidence, this is not the case. Each prior art was compared individually with the claims in MY-055.

D

[46] Further, SDI's evidence in cross-examination shows that he effectively conceded that he had not invented any of the essential features individually. He claimed that only the protruding ribs around the chamfers of his pallet and around the top planar were his "invention".

PC So now you're saying you did not invent treads.

E

SD1 No, I didn't.

PC You did not invent treads. So you're now saying that you invented something with a combination of features. Okay, and you've identified 3 essential features which are the treads, the protruding ribs and the anti-slip. Is that correct?

F

SD1 Yes.

PC So, all these 3 features must be present in the pallet to infringe your patent?

PC 3 features that you have identified as essential - protruding ribs, treads, anti-slip. You've said that these are essential features, right? You've conceded that you did not invent treads, so you've mentioned that it is a combination of these 3. So, all these 3 must be present to infringe your patent? You are claiming a monopoly here.

G

PC What are the features that you claim to have invented?

H

....

SD1 I have incorporated treads and the anti-slip means and the wing shape designed, and I have improved on these features and incorporated it into my design, then I've also, together with the novel features of the protruding ribs, together, it works as one embodiment..

I

- A** PC ... Essentially, you are claiming anti-slips at the top, bottom and the bottom of the top planar, at those 3 places. Can you agree with me that anti-slips already exist in the market on 27.07.2010 on the top, bottom and bottom of the top planar surface - all these 3 places you can find anti-slip means in pallets out there in the market?
- B** SD1 Yes.
PC Plastic pallets?
SD1 Yes.
PC So it's nothing new.
- C** ...
PC ... Mr Cheah, all planar surfaces have cavities, right?
SD1 Yeah. I mean, not all, but it's common.
PC It is common, isn't it? Even as at 27.07.2010, pallets have cavities already, right?
- D** SD1 Yes.
PC So, nothing new there. Claim 3, can be made from any material, preferably thermoplastic resin materials. Most pallets are made from thermoplastic resin materials, right?
SD1 Right.
- E** PC Even as at 27.07.2010, plastic pallets were made from thermoplastic materials.
SD1 Yes.
PC You have not in your patent description mentioned any new material that you have invented, right?
- F** SD1 No.
PC You mentioned about the wing-shaped pallet, from the chamfers and have suitable geometrical configuration. These are just the ribs that can form various geometric configurations, right?
SD1 These are protruding ribs, right.
- G** PC But you mentioned you didn't invent protruding ribs, right?
SD1 No, I invented this protruding ribs that is around our chamfers and around the top planar.
PC So, my question is just to confirm that this is a wing-shaped pallet, and you have confirmed that there are ribs in this overhanging area. And it's a design patent, it's not a patent. Mr. Cheah, have you filed for any corresponding patent in any other country? This particular patent.
- H** SD1 No.
PC Is it because you cannot get a patent anywhere else?
- I** SDI No, we didn't do it within the 1 year grace.

[47] Having considered the evidence as a whole, we are satisfied that MY-055 lacks novelty as it has been anticipated by prior art. A

[48] In this regard, we are not convinced that SDI “invented” protruding ribs around the chamfers of his pallet. Protruding ribs are not novel as they can be found in prior art. We are therefore constrained to reverse the finding of the learned judge on this issue. B

[49] Having concluded that the claims in MY-055 are not novel, this in itself is sufficient for us to allow the cross-appeal. However, for purposes of completeness, we go on to consider the issue of whether MY-055 contains an inventive step. C

Issue (ii)(b): Was The Judge Correct In Concluding That MY-055 Involves An Inventive Step In That It Is Not Obvious To A Person Having Ordinary Skill In The Art As Provided For In Section 15 Of The PA And Having Regard To The Common General Knowledge?

Section 15 PA provides as follows: D

An invention shall be considered as involving an inventive step if, having regard to any matter which forms part of the prior art under paragraph 14(2)(a), such inventive step would not have been obvious to a person having ordinary skill in the art.

[50] This comprises the objective test that has to be applied in order to determine the issue. E

The Judge’s Findings In Relation To ‘An Inventive Step’

[51] The learned judge found, in this respect, that she could not accept the evidence of the plaintiff’s witnesses, particularly PW3 and PW4, as they were not, in her view, unimaginative skilled persons in the field of pallet design and manufacturing. She concluded that “something obvious to them might not be obvious to a skilled man with no ability and imagination to invent in the field of art.” Earlier on, she had found that PW3 and PW4 were skilled persons with “high capability and imagination” who could “invent” pallets. F G

[52] Terrell on the *Law of Patents* (15th edn published by Sweet & Maxwell at para. 7.26 at p. 174) states as follows:

The primary evidence is therefore that of an expert, who can give evidence as to the nature of the skilled addressee, the body of knowledge (the so-called common general knowledge) which he would possess and the way in which such a skilled man would, as a matter of routine, approach problems. He can also identify steps which he believes would require a degree of lateral thinking and hence not be obvious to the skilled man. H I

A [53] The approach to be adopted in construing from the expert's evidence whether an inventive step is obvious is set out in the four-stage test laid down by Oliver LJ in *Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd.* [1985] RPC 59. *Terrell (supra)* sets out the four questions thus:

- B (1) First, the court identifies the inventive concept embodied in the patent in the suit.
- (2) Next, the court will assume the mantle of the normally skilled but unimaginative addressee in the art at the relevant date and will impute to him what was at that date, common general knowledge in the art in question.
- C (3) The court should then identify what, if any, differences exist between the matters cited as being "known or used" and the alleged invention.
- (4) Finally the court has to decide whether, viewed without any knowledge of the alleged invention, those differences constitute steps which would have been obvious to the skilled man or whether they required any degree of invention.
- D

E [54] In the instant case, the learned judge although citing *Windsurfing (supra)*, failed to apply the case on the basis that PW3 and PW4 were not unimaginative skilled persons. To our minds, the learned judge failed to appreciate the purpose and application of the evidence of the plaintiff's experts, PW3 and PW4.

F [55] As stated in *Terrell (supra)*, the evidence of PW3 and PW4 served the purpose of educating the court, as to the nature of the skilled addressee, the common general knowledge at the material time, and the way in which such a skilled man would approach the problem.

[56] This approach has been adopted in numerous cases including *SKB Shutters (supra)* by this court and approved by the Federal Court on appeal.

G [57] In the Court of Appeal, Aziah Ali JCA stated as follows:

- H [30] The primary evidence is therefore that of an expert, who can give evidence as to the nature of the unimaginative skilled addressee, the body of knowledge (the so-called common general knowledge) which he would possess and the way in which such a skilled man would, as a matter of routine, approach problems. He can also identify steps which he believes would require a degree of lateral thinking and hence not be obvious to the skilled man. (*Terrell* on the *Law of Patents* 15th edn.)

[58] In the Federal Court, Zulkefli Ahmad Makinudin CJ (Malaya) stated as follows:

- I [38] On the said questions (5) and (6) posed by the appellant we are of the view the general principles relating to the construction of patent claims and the role to be played by the "experts" are well established. The

function of the expert is to educate the court in technology and that they come as teachers, as makers of the mantle for the court to do. For that purpose it does not matter if they do not approximate a person skilled in the art. (See the case of *Technip France SA's Patent* (2004) RPC 46). As such, clearly the court can construe patent claims without the assistance of a person skilled in the art. Any assistance required is from an expert and he need not approximate a skilled person.

A

B

[39] It is our judgment that the Court of Appeal was entitled to construe the claims of the appellant's patent and compare them with the prior art. Any assistance required on the technology, technical terms and common general knowledge had been led through the evidence of DW3, the respondents' expert at trial, whose evidence was before the Court of Appeal.

C

[59] At para. [41] of the Federal Court decision in *SKB Shutters (supra)* it is expressly stipulated that the evidence of experts may be utilised in determining the element of obviousness in relation to a patent:

D

41 We are of the considered view that as the experts who educate the court on technology, technical terms and common general knowledge do not have to approximate persons skilled in the art, the Court of Appeal was entitled to hold that neither DW-3 (the respondents' experts) nor PW-1 (the appellant's expert) were "unimaginative skilled addressees" and yet make reference to their evidence on technical terms and common general knowledge when assessing if the claims of a patent were obvious.

E

[60] As such, the learned judge erred in excluding wholly from consideration the evidence of PW3 and PW4. They are in fact the experts who will educate the court as to the nature of the skilled unimaginative addressee, the common general knowledge at the material time, and the way such a skilled man would approach the problem. This would then enable the court to assume the mantle of the notional addressee to then determine the issue of obviousness. However, the issue of obviousness has to be considered in the light of the common general knowledge at the relevant date.

F

[61] Prior to considering the evidence of PW3 and PW4 therefore, we set out the position in law in relation to common general knowledge.

G

Common General Knowledge

[62] Common general knowledge is defined in *Terrell on the Law of Patents*, 17th edn at p. 211 as follows:

H

The common general knowledge of the persons skilled in the art has been defined by the Board of Appeal as being normally represented by the content of encyclopedias, handbooks and dictionaries on the subject in question ...

I

A And at p. 207:

“Common general knowledge” means “the information which, at the date of the patent in question, is common knowledge in the art or science to which the alleged invention relates, so as to be known to duly qualified persons engaged in that art or sciences”.

B [63] The foregoing definition was taken from the case of *British Thomson-Houston Co Ltd v. Stonebridge Electrical Co Ltd* [1916] RPC 166.

[64] In the more recent case of *Raychem Corp’s Patents* [1998] RPC 31 Laddie J explained common general knowledge as follows:

C The common general knowledge is the technical background of the notional man in the art against which the prior art must be considered. This is not limited to material he has memorised and has at the front of his mind. It includes all that material in the field he is working in which he knows exists, which he would refer to as a matter of course if he cannot remember it and which he understands is generally regarded as sufficiently reliable to use as a foundation for further work or to help understand the pleaded prior art. This does not mean that everything on the shelf which is capable of being referred to without difficulty is common general knowledge nor does it mean that every word in a common textbook is either. In the case of standard textbooks it is likely that all or most of the main text will be common general knowledge. In many cases common general knowledge will include or be reflected in readily available trade literature which a man in the art would be expected to have at his elbow and regard as basic reliable information.

F [65] This definition of “common general knowledge” was adopted and introduced as part of the Malaysian common law in *Sanofi-Aventis (Malaysia) Sdn Bhd & Anor v. Fresenius Kabi (Malaysia) Sdn Bhd & Anor* [2012] 4 CLJ 532. (see also *General Tire (supra)*).

G [66] As submitted by learned counsel for the plaintiff, it is not disputed by the defendant that the MS ISO 445, the defendant’s pallet, P-5, the plaintiff’s pallet P-11 comprise part of the common general knowledge of the person skilled in the art.

H [67] Common general knowledge is important because it is an essential element in the consideration of, for example, obviousness in order to ascertain the validity of a patent. It is of significance to determine whether a person skilled in the art who is imputed with such common general knowledge would perceive a particular step as inventive or otherwise, and the sort of documents that he would have regard to.

I [68] A person who professes to be skilled in the art but did not bother exhibiting his common general knowledge or where he derived such common general knowledge from is to be treated with caution.

[69] Bearing these principles in mind, we now go on to consider the evidence of PW3 and PW4. A

The Evidence Of PW3 And PW4

[70] PW3 in his testimony described the ordinary skilled but unimaginative addressee as follows: B

a person skilled in the art would be a person with qualification, technical know-how and working experience in manufacturing plastic environment specialise in manufacturing and design of pallets.

[71] He would be familiar with the Malaysian Standard ISO 445, describing it as a standard document that should be referred to. This would reflect the common general knowledge at the material time, namely prior to 27 July 2010. C

[72] PW3 was next asked whether a person skilled in the art, using the Malaysian Standard ISO 445 would be able to design a pallet with the features in MY-055. His answer in examination-in-chief was as follows: D

As a person skill(ed) *[sic]* in the art, it is natural for a person to combine all these features. Because all these are common structures for all plastic pallets. So when we design the pallet, it is natural for him to combine all these features into one pallet to follow client's requirements. E

And further on with respect to the design of a wing-shaped pallet:

Since this is a standard component [it] is simple for a normal person who has ordinary skill to combine all these into one pallet.

[73] In relation to whether one needs to be an inventor to design a pallet with the components in MY-055, PW3 stated: F

It is person with ordinary skill in the art to design such pallet.

[74] And further on in response to whether the features were new or inventive his reply was:

No. After go [ing] *(sic)* all the claimed features are common structures of plastic pallets which are already used in the market. All these features had been disclosed in prior arts as listed in my table. And all the claimed inventiveness claimed here are not true because there is no scientific data or clear information for a person to verify the results. G

[75] As pointed out earlier, PW3 maintained his stance in cross-examination and PW4 essentially corroborated PW3's evidence. H

The Evidence Of SD1

[76] We also considered the evidence of SD1 on this issue. I

A [77] In examination-in-chief, SD1, the inventor, explained what he considered to be the essential and novel features of MY-055 as shown below.

B SD1 The 3 very important features that I have incorporated in this patented design is the protruding ribs around the chamfers around the entries of the channels, and the edges of the overhanging areas of the pallet, which provides enforcement to help strengthen the pallets against contact by the forklift. This is a new innovative design.

DC Continue.

C SD1 The 2nd one is the pallet base to incorporate unique horizontal members with treads to perform well in such environments in order to secure and move along the conveyor means smoothly and withstand the ultra-high point loads, like I explained to you earlier, point loads from the pitchers of rollers and chain conveyors. The third very important feature is the anti-slipping means underneath the studs and along the horizontal members and in the same flow with the treads in a measure to enhance the anti-slipping capabilities of the pallet during movement on the conveying means, general handling as well as during multiple stacking of the pallets throughout the whole life cycle of the pallets.

E ...

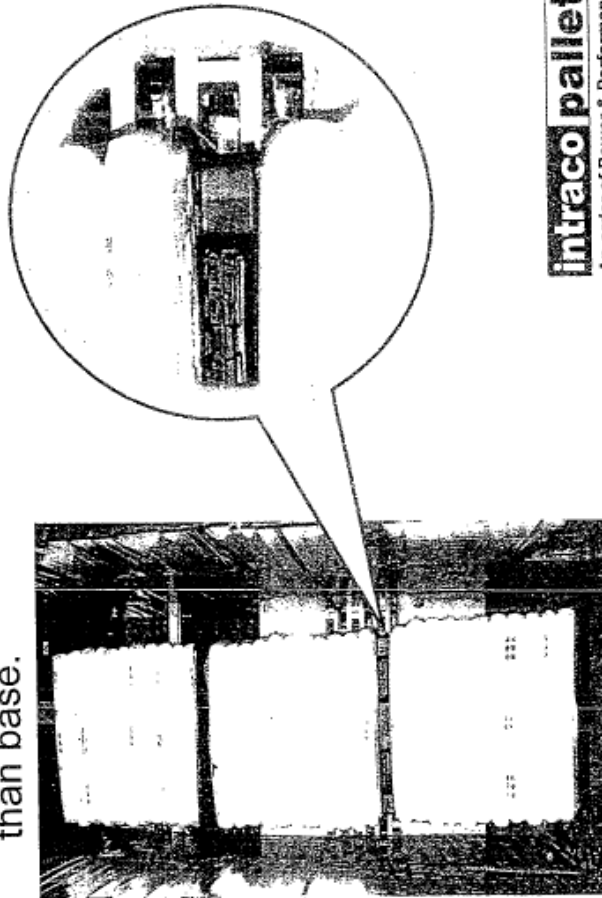
F SD1 Okay, in the patent specification, the essential features of my invention which are novel, No. 1 is the bottom structure of the wing-shaped pallets, in the way the vertical and horizontal members are designed to incorporate plurality of treads at the bottom surface of the horizontal support members to permit efficient transportation of the loaded or unloaded wing shaped pallets by the use of conveying means. No. 2, the design of the wing-shaped pallets incorporates a plurality of anti-slip means mounted on the top, the bottom of the planar platform as well as the vertically, the base of the wing-shaped pallets to prevent slippage of the pallets during handling and multiple stacking of loads, particularly bag products. And No. 3 is the design of the wing-shaped pallets incorporating protruding ribs from the overhanging areas and the surface of the chamfers to reinforce the planar platforms and to guide the entry of the fork tines across the chamfers.

H [78] We annex the features stated to be innovative and to provide solution according to SD1.

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Solution:

- * Wing-shape design, planar platform bigger than base.



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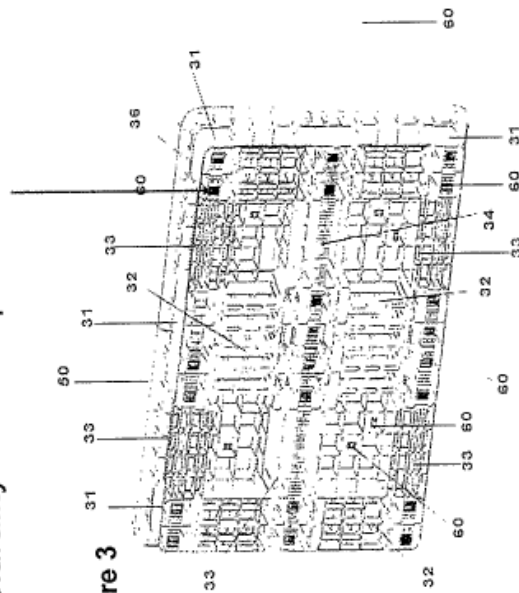
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Solution:

✱ A plurality of anti-slip means

Figure 3

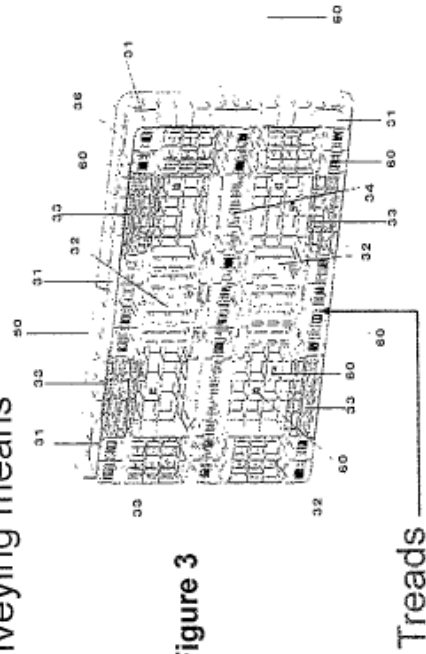


intraco palletTM
An order of Power & PerformanceTM

Solution:

- ✱ Plurality of treads on the bottom surface of the horizontal support member for producing friction between the said base and a conveying means

Figure 3



intraco palletTM
An order of Power & PerformanceTM

A

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- A [79] However, a perusal of the cross-examination of SD1 in its entirety discloses that he conceded that he did not invent treads nor anti-slip means, which are two of the essential features relied upon in MY-055. As for protruding ribs, SD1 disagreed that they existed in the form that he had utilised them in MY-055. He claimed that he was the inventor of protruding ribs to his pallet. This can be seen, *inter alia*, below:
- B SD1 I'm the inventor of protruding ribs to my pallets.
PC To your pallets. But protruding ribs existed before 27.07.2010?
SD1 I don't know. As far as I know, there's none.
- C PC Oh? There's none? Can I refer you to P10, which is the Malaysian Standards.
J What page?
PC Page 10. Figure 8. The drawing on the right-hand side.
DC Which page?
- D PC Page 10. Are you looking at the diagram?
SD1 Yes.
PC Those protrusions at the bottom of the chamfer and the top of the chamfer, what are those?
SD1 You mean those ribs?
- E PC Yeah, those are ribs right?
SD1 Okay. To me, that is not ...
PC They're sticking out, aren't they? Are they protruding?
SD1 To me, that is not the chamfer. A chamfer is angled surface that guides the... and protruding ribs on the angled surface is different from these kinds of structural ribs.
- F PC What do you call the area the ribs are surrounding?
SD1 Those are structural ribs.
PC Those are entries for the fork tines, right?
SD1 But that is not a chamfer. A chamfer is an angled surface.
- G PC But it surrounds the entry for the forklift, right?
SD1 But this area is a straight edged area, exposing these structural ribs that are there. A chamfer is like the bottom pallets, with the angled ...
- H PC My question now is whether these are protruding ribs. Can we agree or can we not agree?
SD1 To me, these are not protruding ribs. It doesn't protrude. These are ribs, but it doesn't protrude out from the chamfer, it doesn't protrude out from the ...
- I PC My question is not whether they protrude out from the chamfer. My questions are generally, are they protruding ribs? Do they stick out?
SD1 They are ribs.
PC Are they sticking out?

- SD1 All the ribs, you can see ... A
- J Are they sticking out or are they not, yes or no?
- SD1 No.
- PC They are not sticking out? Okay, if you insist. Can I refer you to your own pallet?
- J P4? B
- PC P5, we're looking at P5. Mr.Cheah, can you look at your own pallet, P5? What do you call this?
- SD1 These are ribs.
- PC Are the ribs flat? Are they hidden? C
- SD1 No.
- PC They're not hidden, right? Are they sticking out?
- J Are they protruding?
- PC He doesn't like the word protruding, so are they sticking out? D
- SD1 They're not sticking out from the pallet, they're within the structure of the pallet.
- PC But they're sticking out.
- SD1 They're within the structure of the pallet. They're not protruding out from the surface of the pallet. E
- PC They're protruding out from the top planar surface, aren't they?
- SD1 What is ...
- PC This is the top planar surface, isn't it? F
- SD1 Yes.

[80] What constitutes an inventive step may depend on the nature of the invention. The matter was considered by Lord Hoffman in *Biogen Inc v. Medeva Plc* [1997] RPC 1 as follows:

Whenever anything inventive is done for the first time it is the result of the addition of a new idea to the existing stock of knowledge. Sometimes, it is the idea of using established techniques to do something which no one had previously thought of doing. In that case the inventive idea will be doing the new thing. Sometimes it is finding a way of doing something which people had wanted to do but could not think how. The inventive idea would be the way of achieving the goal. In yet other cases, many people may have a general idea of how they might achieve a goal but not know how to solve a particular problem which stands in their way. If someone devises a way of solving the problem, his inventive step will be that solution, but not the goal itself or the general method of achieving it. I

A [81] It is clear that the existing protruding ribs design as found in MS-1S0445 serve exactly the same purpose or function as addressed by the defendant's invention in MY-055, and hence, there is no new solution to a problem that has been discovered by the defendant to be entitled to protection under MY-055.

B **Application Of The *Windsurfing* Test**

[82] In *Intellectual Property Law in Malaysia* by Teh Pek San published by Sweet & Maxwell, the learned author states at p. 553 as follows:

C The first three steps essentially lay the groundwork for the court to direct itself in carrying out the objective of section 15, namely, whether the alleged invention involves an inventive step. Thus the application of the *Windsurfing* test in this country does not in any way conflict with section 15, but provides a structured approach to assessing obviousness ...

D [83] Having taken guidance from PW3's evidence and having considered SDI's evidence, this court now has to assume the mantle of the normally skilled but unimaginative addressee in the art at the relevant date. Normally, this step would be undertaken by the trial judge but we are constrained to do so as the evidence of the experts, namely PW3 and PW4 were erroneously excluded.

E [84] Having done so and based on the entirety of the evidence on record, we are satisfied that MY-055 is obvious and does not embody or incorporate an inventive step. We so conclude for the following reasons:

F (a) The notionally skilled but unimaginative addressee in the instant case would have knowledge of MS ISO 445. This comprises a part of the common general knowledge that may be imputed to the notional addressee;

G (b) The three essential features of MY-055 are contained in MS ISO 445. In any event, SD1 in his evidence (as shown above) conceded that treads and anti-slip means, as well as ribs *per se*, were not new and therefore not novel. The main contention of SD1 is that the protruding ribs feature which is described as "a plurality of protruding ribs to reinforce the planar platform and to guide the entry of the fork tines across the chamfers around the chamfers and overhanging areas" is a novel feature that distinguishes MY-055 from the prior art.

H [85] However, we are of the view that the use of such protruding ribs as described, is neither new nor inventive, as these functions of the ribs can be found in MS ISO 445.

I [86] Alternatively, such protruding ribs can be designed from a perusal of the MS ISO 445 by the normally skilled but unimaginative addressee in the art at the relevant time. This is clear throughout PW3's evidence.

[87] Therefore, viewed without any knowledge of MY-055, the essential features would be obvious to the skilled man. A

Conclusion

[88] Having applied s. 15 of the PA and the test in *Windsurfing*, we are satisfied that MY-055 is obvious and does not contain nor incorporate any inventive step. B

[89] We agreed with the submission of learned counsel for the respondent that even if we were to find that the respondent/plaintiff's witnesses were not "unimaginative skilled addressees", we may still refer to their evidence on technical terms and common general knowledge when assessing if the claims were obvious. (See the Court of Appeal and Federal Court decisions in *SKB Shutter*). C

[90] In any event, the respondent's witnesses have given evidence that they are designers of pallet industrial designs and not inventors of pallets. They have been involved only in the filing for industrial design protection for pallets, and never for patent protection for the pallets. D

[91] In arriving at this conclusion, we have borne in mind the position in law in relation to combinations of the three features, which appears to be the thrust of the defendant's case. In *British Celanese Ltd v. Courtaulds Ltd* (1935) 52 RPC 171 at 193, Lord Tomlin said: E

It is accepted as sound law that a mere placing side by side of old integers so that each performs its own proper function independently of any of the others is not a patentable combination, but that where the old integers when placed together have some working interrelation producing a new or improved result then there is patentable subject-matter in the idea of the working interrelation brought about by the collocation of the integers. F

Greene LJ stated in *Wood v. Gowshall Ltd* (1937) 54 RPC 37 as follows:

The dissection of a combination into its constituent elements, and the examination of each element in order to see whether its use was obvious or not, is ... a method which ought to be applied with great caution since it tends to obscure the fact that the invention claimed is the combination. Moreover, this method also tends to obscure the fact that the conception of the combination is what normally governs and precedes the selection of the elements of which it is composed, and that the obviousness or otherwise of each act of selection must in general be examined in the light of this consideration. The real and ultimate question is: is the combination obvious or not? G H

[92] In the instant case, we are satisfied on a balance of probabilities that the combination of the three essential features is obvious and does not produce a new or improved result so as to give rise to a patentable claim in MY-055. I

- A [93] In determining that MY-055 is not patentable, we have also considered the evidence of SD2, the patent examiner. We found that he could not adequately justify the basis for registering the patent, MY-055.

Conclusion On The Cross-Appeal

- B [94] For the foregoing reasons, we are of the unanimous view that MY-055 is invalid as it is not novel, as it is anticipated by prior art, and does not involve any inventive steps or ideas.

[95] We now turn to the appeal by the defendant.

C **The Appeal By The Defendant**

[96] The appeal relates to the grant of an amendment to prayer 19(c) of the statement of claim. Prayer 19(c) in its original form reads as follows:

- D A declaration that the manufacture, importation distribution, stocking, supply, sale and/or offering to supply or sell the Plaintiff's wing-shaped pallets or any other pallets manufactured by the Plaintiff or its licensees or distributors does not constitute an infringement of any and all of the claims of Malaysian Patent No. MY-148055-A

- E [97] The effect of the amendment is to limit the declaration to only the plaintiff's wing-shaped pallet model N4-1311SLW, rather than all of the plaintiff's pallets. The learned judge then allowed the prayer as amended. This means that the plaintiff's model N4-1311SLW does not infringe MY-055.

- F [98] As we have concluded above that MY-055 is invalid, this issue is academic and redundant as the issue of the infringing of MY-055 no longer arises. The issue raised in this appeal is contingent upon the trial courts finding that MY-055 is valid. As we have found otherwise the matters in the appeal no longer arise for consideration. The net result is that the plaintiff is entitled to manufacture and supply wing-shaped pallets with or without protruding ribs in the course of its business. No question of limiting it to any one model arises, in any event.
- G

Final Orders On The Cross-Appeal

- H [99] We order that the cross-appeal be allowed and the appeal be dismissed. The decision of the High Court is set aside and we grant prayers 19(a), (b), (c) and (d) only together with costs.

[100] The High Court costs are to be paid back. We award costs of RM150,000 to the respondent here and below subject to allocatur.

I
